Account Selling

- *What is the contractor's affiliation... NECA, IEC, Cooperative?*
- *How many electricians does this contractor usually employ?*
- *How many electrical superintendents/foremen are there? What are their names?*
- *Can these superintendents and foremen use the products they want?*
- *How many estimators do they have? Do they specify material?*
- *Do they have a design department? Do they specify material?*
- *Can the warehouse change a part number on their own? Do they purchase? Which distributor do they prefer?*
- *Which distributor does purchasing prefer to do business with and why?*
- *What is the contractor's business mix? Industrial? Commercial? Residential? Has this mix changed in the past five years? How? Why?*
- *Does this contractor have any maintenance contracts with industrial accounts? If so, are they time and material or labor only?*
- *If the contractor furnishes time and material, who determines the material to be used? Who influences this determination?*
- *Are you in contact with the contractor's electrical superintendent and foreman on the job?*
- *When the contractor needs an electrical panel built, who does he go to?*
- *What projects are they currently working on? At what stage of completion are they?*
- *What projects are they currently bidding on?*
- *What brand of tooling do they have for #8 AWG and larger compression lugs?*
- *Are they a union or non-union contractor?*
- *What is the rate they currently charge for an electrician's time? Do they use the same rate for estimating?*
- *Do they hold weekly superintendent-foremen meetings? If so, are suppliers ever invited to show new products?*
- *How many service trucks do they have? Do they carry stock material?*

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Contractor-Construction
Market Profile

Thomas&Betts

Identifying Marketing Opportunities With Thomas & Betts' Support

Contractor-Construction Market Profile

Key Buying Influences

- **Project or Job Estimator -** Responsible for making electrical engineering or detailed architecture drawing estimates, meet accurate cost estimates, labor rates and efficiency of electrical systems. This person may have a degree in electrical or mechanical engineering.
- **Project Manager -** This person is usually charged with bringing in a project on time and within budget. In many cases, the project manager will have an incentive based on below-budget performance. This person is usually difficult to see; however, he/she is one of the most influential people at the contractor.
- **Job Superintendent -** This position works closely with the project manager to ensure a project comes in on time and on budget. The superintendent will schedule man-hours and coordinate activities with other trades. In many situations where print work is incomplete, he/she is the person who must develop the material list to make the drawings work in the field.
- **Job Foreman -** On smaller projects, this person's role is identical to the superintendent's. On larger projects, these people must make the prints or project layout work in application.
- **Purchasing -** This can be almost a generic term with the electrical contractor. Many positions in the contractor are authorized to purchase material. The purchasing agent is responsible for contacting distributors and manufacturers for project takeoffs and resultant bid proposals. Purchasing is also in constant contact with the project foreman or superintendent for an active project's daily material requirements. This position may also have labor relations directly or indirectly tied to it.
- **Storeroom Buyer -** The storeroom buyer is usually found in medium-to-large electrical contractors, (30-100+ electricians). Their responsibilities include keeping bread-and-butter supply items in stock (i.e. boxes, fittings, lugs, conduit, etc.); tooling coordination and whereabouts; and large equipment flow.

Specific Types of Activity

Overview - The successful contractor will have a balance of the following work on a continual basis.

- **Bid Work -** Bid work is the most competitive of any of the types of electrical work. Depending on the type and size of the project, contractors will typically work from 0% to +10% base margin. Some projects are considered "Press", short for prestigious, meaning a contractor's bid will be closer to zero or a minus percentage after material and labor estimates. The contractor will make margin by either one or a combination of the following: putting all commodity material back out for bid, position the project for "extras" work outside of electrical design, or use a different labor strategy. Labor is the contractor's largest risk factor and largest opportunity to increase margin. **This is an opportunity for a labor savings product sell.**
- **Negotiated or Time and Material -** Negotiated work is also referred to as "T&M" work. Negotiated, or time and material work, is usually risk free; however, the contractors' margins are fixed at a percentage off of labor rates and material costs. "T&M" can also include per-unit pricing such as $66.00 per switch or $300.00 per outlet. Maintenance work, equipment hook-up and renovation could all fall under time and material.
- **Design and Build -** Design and build work is typically performed by larger contractors who will employ a deeper engineering staff as well as other trades. A typical design and build contractor may act as the architect, engineering firm and/or general contractor. This work allows for margins between bid and negotiated work. This type of work can also position the contractor for future maintenance or time and material work.

Market Profile

- **Single and Multi-family Residential -** Includes housing, hotels, and low- and high-rise apartments.
- **Industrial -** Includes factories and warehouses.
- **Commercial -** Includes office buildings, banks, shopping, restaurants, etc.
- **Institutional -** Includes hospitals, schools, churches, etc.

Trends

- **Remodeling and Modernization -** Today approximately 90% of the commercial infrastructure is currently under construction or has been completed.
- **Space Utilization -** The office environment will continue to maximize every square foot of space versus expansion into a new structure. The trend will be for more people per square foot of space. This will be a component of a company's cost competitiveness.
- **System and Product Flexibility -** Future electrical systems must be easy to install and dismantle, given the accelerated pace of change inside the office.
- **Labor Saving Products -** A decade ago material accounted for approximately 45% of the cost in a project. Tomorrow, that number will decline to under 39%. The focus will be on containing labor rates as well as labor saving technology whether that be in estimating electrical systems or faster installed connector.
- **Rapidly Developing and Expanding Communication Systems -** The need for more work stations on the industrial floor will require an adaptation to more on-line and personal data terminals. Systems will require compatibility between voice, data and power wiring schemes.
- **More Power Required -** Future work station requirements will also give rise to increased power capacity.
- **Industrial Sub-contracting -** Industrial M.R.O. work will continue to be awarded to outside contractors rather than be performed within a company's existing payroll. This is a continuing effort to lower the industrial company's per-unit production cost. The contractor's portfolio may include turnkey M.R.O. work, material management and/or systems integration. The contractor will have more influence over material and vendor selection.
- **Longer Contractual Contracts -** The increase in material quality, worker skill expertise, and bid creativity will increase the length of time of a contract or warrantee period. A client-contractor bid award will contain other determining factors than just bottom line price.
- **Trade Migration -** Today's electrical worker may have previously been an AT&T technician or IBM installer. Electrical power's close association with voice and data will challenge work assignments and training as well as the skill profile of the worker.
- **Safety -** With the spotlight on rising health care costs, a contractor can no longer take a passive role and assume safe working conditions exist.

Primary Product Offering - Residential and Commercial

- Steel City® Floor Boxes
- Steel City® or Bowers® Indoor Boxes and Covers
- Steel City® Poke-Throughs
- Steel City® Underfloor Duct
- Steel City® or Red Dot® Weatherproof Products
- Steel City® Access Floor Modules
- Steel City® Die Cast Fittings
- Steel City® Conduit and Cable Fittings
- E-Z-Code® Identification Products
- Furseweld® Exothermic Welding System
- Kindorf® and Superstrut® Metal Framing
- NuTek® Non-Metallic Boxes
- Omni-Plus™ Voice and Data Products
- T&B Electricians' Supplies
- T&B Liquidtight Fittings and Portable Cord Fittings
- T&B Surface Raceway
- Union® or Bowers® Non-Metallic Boxes
- Versa-Trak® Undercarpet Wiring System
- Express Tray™
- T&B Cable Tray

Primary Product Offering - Industrial

- Color-Keyed® Bolted and Compression Connectors
- E-Z-Code® Identification Products
- Furseweld® Exothermic Welding System
- Kindorf® and Superstrut® Metal Framing
- Ocal® PVC Coated Rigid Fittings and Conduit
- Shamrock™ Tubular Products
- Sta-Kon® Terminals
- Star® Teck Jacketed Metal Clad Cable Connectors
- T&B Electricians' Supplies
- T&B Liquidtight Fittings and Portable Cord Fittings
- T&B Rigid Fittings
- Ty-Rap® Fastening Products
- T&B Cable Tray